



AGENDA

**FOR BUDGET AND FINANCE COMMITTEE MEETING TO BE HELD ON
16 SEPTEMBER 2019 AT CONCLUSION OF POLICY AND PLANNING
COMMITTEE
IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY**

MEMBERS

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr S Reardon
Cr G Reynolds
Cr J Woodman

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Ms P Webb
General Manager City Infrastructure, Mr J Devine
Manager Governance, Mr M Petrovski
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Budget and Finance Committee Meeting held on 19 August 2019.

Presentation of the Minutes of the Confidential Budget and Finance Committee Meeting held on 19 August 2019.

REPORTS

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OTHER BUSINESS

CLOSE



**MINUTES OF BUDGET AND FINANCE COMMITTEE MEETING HELD IN THE
COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON**

19 AUGUST 2019

MEMBERS PRESENT

Cr B Brug (Chairman)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun (Deputy Chairman)
Cr C Buchanan
Cr K Grenfell
Cr N Henningsen
Cr P Jensen
Cr S Ouk
Cr D Proleta
Cr G Reynolds
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Ms P Webb
General Manager City Infrastructure, Mr J Devine
Manager Governance, Mr M Petrovski
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.40 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from Cr D Hood and Cr S Reardon.

LEAVE OF ABSENCE

Leave of absence for this meeting was previously granted to Cr A Duncan.

PRESENTATION OF MINUTES

Moved Cr K Grenfell
Seconded Cr J Woodman

The Minutes of the Budget and Finance Committee Meeting held on 15 July 2019, be taken and read as confirmed.

CARRIED
UNANIMOUSLY

REPORTS

Administration

6.0.1 Future Reports for the Budget and Finance Committee

Moved Cr L Braun
Seconded Cr N Henningsen

1. The information be received.

CARRIED
UNANIMOUSLY

6.0.2 Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 12 August 2019

The information contained in the Innovation and Business Development Sub Committee of the meeting held on 12 August 2019 be received and noted with respect to the following recommendations contained therein to be adopted by Council:

6.0.2-IBDSC1 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr K Grenfell
Seconded Cr N Henningsen

1. The information be received.

CARRIED

6.0.2-IBDSC2 Performance Excellence Program - local government benchmarking

Moved Cr K Grenfell
Seconded Cr N Henningsen

1. That the information be received.
2. That the data for all seven categories of the data matrix used for local government benchmarking be provided to Council for information.

CARRIED

6.0.2-IBDSC3 Reforming Local Government in South Australia Discussion Paper - Released by State Government

Moved Cr K Grenfell
Seconded Cr N Henningsen

1. The information contained in this report be received.
2. Council make a formal submission to State Government on the *Reforming Local Government in South Australia Discussion Paper*.
3. Subject to recommendation 2 above, approve the process suggested in this report for Council to consider the proposed reforms and inform the preparation of a formal submission to State Government, to be submitted for Council approval at its meeting in October 2019.

CARRIED

IBDSC-OB1 State Government's Increase in the Solid Waste Levy

Moved Cr K Grenfell
Seconded Cr N Henningsen

1. Council note the negative impact of the State Government's increase of the Solid Waste Levy for the 2019/20 financial year.
2. Council acknowledge the net financial impact on its operating budget for 2020/21 is likely to be \$1.3 million.
3. A report be prepared, with advice from NAWMA and other constituent Councils, that provides options for Council to consider ways of reducing the impact of the Solid Waste Levy on our operating budget for the 2020/21 financial year.

CARRIED

IBDSC-OB2 Customer Review Dashboard

Moved Cr K Grenfell
Seconded Cr N Henningsen

1. That, in order to regularly monitor customer service performance, an update report on the "Customer Review Dashboard" be a standing item on the agenda for the Innovation and Business Development Sub Committee, and be provided at each meeting.

CARRIED

6.1.1 2018-2019 Carried Forward Funds

Moved Cr N Henningsen
Seconded Mayor G Aldridge

1. The information be received.
2. The 2019/20 budget be adjusted with \$12,719,500 funds carried forward to be applied as detailed in Schedule of Funds Carried Forward from 2018/19 to 2019/20 in Attachment 1 to this report (Item No. 6.1.1, Budget and Finance Committee, 19/8/2019).
3. The 2018/19 project expenditure budgets be reduced to reflect returned funds of \$4,545,700, as per Schedule of Funds Returned to Council 2018/19 in Attachment 2 to this report (Item No. 6.1.1, Budget and Finance Committee, 19/8/2019)
4. Council approve the following budget adjustments associated with unsuccessful grant funding applications, and lower levels of contributions, which result in a decrease in both income and expenditure budgets.
 - PR21558 Sportsfield Lighting Assistance Program no contributions required in the year to support sporting clubs with provision of matching funds for grant application for lighting, resulting in a \$50,000 decrease in income and a \$100,000 decrease in expenditure budgets.
 - PR14804 Bicycle Network Improvement Program, unsuccessful grant funding associated with bicycle direction signage resulting in \$10,000 decrease in income and expenditure budgets
 - PR13725 Traffic Improvement Program reduction in grant funding due to Wright & Dulkara Road T-Junction traffic improvement project delivered below budget estimates resulting in \$34,900 reduction income and expenditure.
 - PR25437 Footpath Trading Pedestrian Protection, no Council contributions were required to match business contributions in the year resulting in a \$35,000 decrease in income and a \$70,000 decrease in expenditure budgets.
 - PR22512 Drainage and Waterways Preplanning, unsuccessful grant funding resulting in decrease in income and expenditure budgets of \$60,000
 - PR20787 Tuflow Modelling reduction in income budget \$187k and \$110k reduction in the expenditure budget.
 - PR20995 Salisbury Escarpment Stormwater Management Plan reduction in income budget of \$35k and reduction in expenditure budget of \$5k.
 - PR20996 Cobbler Creek Stormwater Management Plan reduction in income budget of \$10k, and an increase in the expenditure budget of \$110k to enable the project to be closed (completed in 2016).

- PR23921 Salisbury Oval Masterplan Implementation unsuccessful grant funding associated with CCTV Salisbury Oval resulting in a \$25,000 decrease in income and a \$50,000 decrease in expenditure budgets.
 - PR25017 Smart City Initiatives, unsuccessful grant funding resulting in a \$250,000 decrease in income and expenditure budgets.
5. Council approve the following budget over expenditures to be offset within 2019/20 Program budget allocations.
- PR12000 Road Reseal / Reconstruction Program - \$155,800 (operating component)
 - PR25042 Greater Edinburgh Parks Regional Drainage (Capital) - \$70,300
6. To balance completed programs and projects, and appropriately align budgets for carry forward purposes Council approves the following 2018/19 Budget Transfers:
- From PR21478 Public Lighting Program to PR17754 Sportsfield Lighting Program \$10,700
 - From PR12000 Road Reseal / Reconstruction Program to PR22515 Transportation Program Area \$20,900
 - From PR22159 Salisbury Water Disinfection System \$119,100 to PR24996 Distribution Main Kentish Green \$104,800 and PR25173 Groundwater Community Bores Program \$14,300.
 - Transfer \$20,700 from PR22256 Salisbury Community Hub Feasibility Project and \$152,000 from PR25000 Salisbury Community Hub, to PR23890 SCH Land Acquisition for the total amount of \$172,700
 - Transfer \$10,000 from operating to capital within the PR25000 Salisbury Community Hub, associated with art installation, with no change to in the overall budget.
 - Transfer \$76,000 from Capital to Operating within PR23140 Salisbury Oval Residential and PR23921 Salisbury Oval Masterplan Implementation
 - Transfer \$109k from City Infrastructure Admin Contractual Services and \$17k from City Infrastructure Admin Consulting Services being operating budgets, to PR23476 Asset Management Improvement Project with \$79k being allocated to operating components, and \$48k to capital.
7. Council approve the following budget adjustments associated with successful grant funding applications:-
- City Wide Trails PR17190 - creation of income of \$1,000,000 and expenditure budgets of \$208,000 in the 2018/19 financial year, and the carry forward of the expenditure budget, noting that income budgeted in 2019/20 of \$652,000 will be declared as an income loss in the first quarter budget review, and the 2019/20 expenditure budget of \$1,040,000 will be combined

with the \$208,000 carried forward to result in an expenditure budget of \$1,248,000.

- PR13600 Minor Traffic Program (East Para Primary School project) creation of income budget of \$6,900
- Confidential Item PR25444 - creation of income budget of \$162,500 and expenditure budgets of \$325,000 in the 2018/19 financial year, and the carry forward of the expenditure budget.

CARRIED

6.1.2 Treasury Report for Year Ended 30 June 2019

Moved Mayor G Aldridge
Seconded Cr J Woodman

1. Information be received.

CARRIED
UNANIMOUSLY

6.1.3 Event Management Framework and Room Booking Fees & Charges - Salisbury Community Hub

Cr C Buchanan left the meeting at 07:02 pm.

Cr C Buchanan returned to the meeting at 07:02 pm.

Cr P Jensen left the meeting at 07:07 pm.

Cr P Jensen returned to the meeting at 07:07 pm.

Moved Cr L Braun
Seconded Cr S Ouk

1. That the components of the Room Booking Policy as provided in Attachment 3 is endorsed and staff finalise the components into the standard policy template.
2. That the Prioritisation Parameters as listed in section 7.3 of this report (Item No. 6.1.3, Budget & Finance Committee, 19/08/2019) are endorsed.
3. That the Fee structure for room bookings and event bookings as provided in Attachment 5 is endorsed and updated into Council's Fees and Charges register.
4. That the Manager Community Experience and Relationships is delegated authority to exercise discretion as to applying the proposed Room Booking Policy.
5. That a report on the operation of the Event and Room Booking Framework be brought back to Council following 12 months of operation from the opening of the Salisbury Community Hub.

CARRIED

Rating Matters

6.6.1 Discretionary Rate Rebate Application - Commercial Shops on Diment Road, Salisbury North SA 5108

Moved Mayor G Aldridge
Seconded Cr D Proleta

1. The Budget and Finance Committee recommends to Council that:
 - (a) No rate rebate should be granted in respect of the commercial premises known as Shops 1 to 7 (inclusive), 116 Diment Road, Salisbury North SA 5108; and
 - (b) The rate rebate application lodged by Mr John Pegoli dated 12 July 2019 should be dismissed.

CARRIED
UNANIMOUSLY

OTHER BUSINESS

Nil

CONFIDENTIAL ITEMS

6.9.1 Bridgestone Reserve Athletics Facility

Moved Cr K Grenfell
Seconded Mayor G Aldridge

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) and (d)(i) and (d)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *Report contains information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom Council is conducting, or proposing to conduct, business, or to prejudice the commercial position of Council.*

*On that basis the public's interest is best served by not disclosing the **Bridgestone Reserve Athletics Facility** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CARRIED

The meeting moved into confidence at 7.18 pm.

The meeting moved out of confidence and closed at 7.37 pm.

CHAIRMAN.....

DATE.....

ITEM	6.0.1
	BUDGET AND FINANCE COMMITTEE
DATE	16 September 2019
HEADING	Future Reports for the Budget and Finance Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This item details reports to be presented to the Budget and Finance Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

3.1 The following table outlines the reports to be presented to the Budget and Finance Committee as a result of a Council resolution:

Meeting Item	- Heading and Resolution	Officer
24/06/2019 13.2 Due:	Consideration of Council's Strategic Procurement Direction Council has previously resolved this resolution to be confidential. December 2019	Charles Mansueto
26/08/2019 1.3.1 Due:	Salisbury Community Hub - Project and Construction Progress Report 2. That the hours of operation to Library Services is increased to provide for the period 8.30am to 9:30am Monday to Friday, with the increase in costs (approximately \$140k) funded through existing salary & wages provision for 2019/20, and a report is brought back as part of the 2020/21 budget process to consider any future funding and service level changes. April 2020	Pippa Webb
26/08/2019 6.1.3 Due:	Event Management Framework and Room Booking Fees & Charges - Salisbury Community Hub 5. That a report on the operation of the Event and Room Booking Framework be brought back to Council following 12 months of operation from the opening of the Salisbury Community Hub. December 2020	Charles Mansueto

4. CONCLUSION / PROPOSAL

3.2 Future reports for the Budget and Finance Committee have been reviewed and at this point in time there are none that require a subsequent report to be presented.

CO-ORDINATION

Officer: Executive Group GMBE GMCD
Date: 05/09/19 05/09/19

ITEM	6.0.2
	BUDGET AND FINANCE COMMITTEE
HEADING	Minutes of the Innovation and Business Development Sub Committee meeting held on Monday 9 September 2019
AUTHOR	Mechelle Potter, Administrative Coordinator - Business Excellence, Business Excellence
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making. 4.2 Develop strong capability and commitment to continually improve Council's performance.
SUMMARY	The minutes and recommendations of the Innovation and Business Development Sub Committee meeting held on Monday 9 September 2019 are presented for Budget and Finance Committee's consideration. In particular attachment 2 to this report is an updated version of the attachment that was considered by the sub committee for IBDSC6.

RECOMMENDATION

1. The information contained in the Innovation and Business Development Sub Committee Minutes of the meeting held on 09 September 2019 be received and noted and that the following recommendations contained therein be adopted by Council:

IBDSC3 Future Reports for the Innovation and Business Development Sub Committee

1. The information be received.

IBDSC4 Salisbury Water Business Unit - Expression of Interest

1. Information be received.
2. Further update be provided following the finalisation of the Dry Creek proposal.

IBDSC5 Customer Review Dashboard

1. The information be received.

IBDSC6 Local Government Reform Program - Reform Areas 1 and 2

1. That the proposed position and associated comments made at this meeting on each of the reform proposals contained in Reform Areas 1 and 2 in the table attached to Item No. IBDSC6 on the agenda, be provided as an attachment to the report from this meeting to the Budget and Finance Committee, for inclusion in the submission to the State Government on the *Reforming Local Government in South Australia Discussion Paper*.

IBDSC-OB1 Provision of Presentations to Elected Members

1. That Elected Members be provided with hard copies of all presentations with their weekly business papers.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Minutes Innovation and Business Development Sub Committee - 9 September 2019
2. Local Government Reforms - Reform Areas 1 and 2 I&BD Sub Committee

CO-ORDINATION

Officer:

Date:



**MINUTES OF INNOVATION AND BUSINESS DEVELOPMENT SUB COMMITTEE
MEETING HELD IN COMMITTEE ROOMS, 12 JAMES STREET, SALISBURY ON**

9 SEPTEMBER 2019

MEMBERS PRESENT

Cr K Grenfell (Chairman)
Mayor G Aldridge (ex officio)
Cr L Braun
Cr C Buchanan (Deputy Chairman)
Cr A Duncan
Cr D Hood
Cr P Jensen
Cr J Woodman (*from 6.47pm*)

OBSERVERS

Cr N Henningsen

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
Manager Governance, Mr M Petrovski
Governance Support Officer, Ms K Boyd

The meeting commenced at 6.45 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Nil

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr A Duncan
Seconded Cr L Braun

The Minutes of the Innovation and Business Development Sub Committee Meeting held on 12 August 2019, be taken and read as confirmed.

CARRIED

Cr J Woodman entered the meeting at 6.47 pm.

REPORTS

IBDSC1 Presentation LG Performance Benchmarking Update

General Manager Business Excellence, Mr C Mansueto, gave a brief update on LG Performance Benchmarking, and outlined the next steps in the process.

Next Item of Business

1. Due to the technical difficulties with the Verge Review Update presentation (IBDSC2), the meeting proceeded to consider the next item of business – IBDSC3.

IBDSC3 Future Reports for the Innovation and Business Development Sub Committee

Moved Cr C Buchanan
Seconded Cr L Braun

1. The information be received.

CARRIED

Mayor G Aldridge left the meeting at 7.02 pm.

Mayor G Aldridge returned to the meeting at 7.04 pm.

IBDSC4 Salisbury Water Business Unit - Expression of Interest

Moved Cr C Buchanan
Seconded Cr P Jensen

1. Information be received.
2. Further update be provided following the finalisation of the Dry Creek proposal.

CARRIED

The meeting then returned to item IBDSC2 at this point.

IBDSC2 Presentation on Verge Review Update

Manager Field Services, Mr M Purdie, and Mr B Haigh from Bee Squared, updated members on the verge review program.

Moved Cr C Buchanan

Seconded Cr L Braun

1. That further information on the verge maintenance program, including the McGregor Tan report, be presented at the October meeting of the Innovation and Business Development Sub Committee.

CARRIED

IBDSC5 Customer Review Dashboard

Moved Cr C Buchanan

Seconded Cr A Duncan

1. The information be received.

CARRIED

Suspension of Formal Meeting Procedures

Moved Cr C Buchanan

Seconded Cr L Braun

1. That formal meeting procedures be suspended to allow discussion on item IBDSC6 – Local Government Reform Program – Reform Areas 1 and 2.

CARRIED

Formal meeting procedures were suspended at 8.06 pm.

Formal meeting procedures resumed at 8.55 pm.

IBDSC6 Local Government Reform Program - Reform Areas 1 and 2

Moved Cr C Buchanan
Seconded Cr J Woodman

1. That the proposed position and associated comments made at this meeting on each of the reform proposals contained in Reform Areas 1 and 2 in the table attached to Item No. IBDSC6 on the agenda, be provided as an attachment to the report from this meeting to the Budget and Finance Committee, for inclusion in the submission to the State Government on the *Reforming Local Government in South Australia Discussion Paper*.

CARRIED
UNANIMOUSLY

OTHER BUSINESS

IBDSC-OB1 Provision of Presentations to Elected Members

Moved Cr C Buchanan
Seconded Cr P Jensen

1. That Elected Members be provided with hard copies of all presentations with their weekly business papers.

CARRIED

CLOSE

The meeting closed at 8.56 pm.

CHAIRMAN.....

DATE.....

Proposed Legislative Provision Reform Area 1	Council Position	Council Comment
1.1 Clearly separate behavioural matters from integrity matters in the legislation	SUPPORT	Having clarity and having consistent understanding across the sector is critical and would be welcome.
1.2 Include standards of behaviour in the legislation, allowing councils to adopt more detailed 'examples of behaviour'	SUPPORT	The legislative provisions should avoid overly prescriptive measures and should be focussed on Councils themselves, requiring them to go through the process of adopting positive corporate values for their organisations, defining constructive behaviours and (by inference) isolating negative behaviours.
1.3 Continue to give councils flexibility to deal with behavioural matters	SUPPORT	This is part of the leadership role of Councils (see comment to Reform 1.2).
1.5 Enable escalation of serious behavioural matters to an independent body that can suspend members (including suspension of the allowance)	SUPPORT	See response to Reform 1.9 Model 3, below. Independent adjudication is critical and this reform should be dependent on 1.9 Model 3 being implemented.
1.9 Model 1 – The clarification of current legislation	SUPPORT	Seen as an extension of the current framework.
1.9 Model 2 – Using governance committees	OPPOSE	CoS already has a Resource and Governance Committee that advises Council on a range of governance and policy issues. The Committee's role in relation to council member conduct should be at a higher (principles) level such as defining values and behaviours but should <u>not</u> deal with specific conduct matters.

<p>1.9 Model 3 – Establishing a Local Government Conduct Commissioner</p>	<p>SUPPORT</p>	<p>The emphasis is/should be on independent. A minimalist and low cost mechanism might be to legislatively create a “Commissioner” and vest the authority in the Ombudsman, who already has the investigative powers, but as a Commissioner would be responsible for issuing sanctions.</p> <p>This is a cost effective approach that can enable a “user pay” system where the cost for determination of matters of “member conduct” referred to the Commissioner is at the expense of the Council concerned.</p> <p>This places an emphasis on Councils to work to establish and maintain constructive working environments.</p> <p>Such costs can/ought to be reported in the Annual Report of Councils.</p> <p>In relation to sanctions, there should be definition and clear escalation mechanisms to deal with levels of seriousness of bad behaviour.</p>
<p>1.6 Simplify the conflict of interest provisions by establishing ‘material’ and ‘non-material’ conflicts.</p>	<p>SUPPORT</p>	<p>Having clarity and having consistent understanding across the sector is critical and would be welcome.</p>
<p>1.7 Simplify the process by which council members can be exempt from conflict of interest provisions, or seek approval to participate in a matter.</p>	<p>SUPPORT</p>	<p>Having clarity and having consistent understanding across the sector is critical and would be welcome.</p>
<p>1.8 Clarify the application of conflict of interest rules to council</p>	<p>SUPPORT</p>	<p>Having clarity and having consistent understanding across the</p>

committees and subsidiaries.		sector is critical and would be welcome.
1.10 Clarify the role of council members to recognise their responsibility to ensure good working relationships within the council and to support the conduct management framework	SUPPORT	
1.11 Clarify the role of council members to recognise their obligation to complete mandatory training	SUPPORT	
1.12 Clearly state the role of the principal member as a leader of the council, particularly in ensuring good working relationships within the council.	SUPPORT	Detail is needed to fully appreciate how this might be achieved through legislation, as current provisions already say that the principal member provides leadership and direction.
1.13 Provide directly elected Mayors with a deliberative vote on motions before council	OPPOSE	<p>Giving directly elected Mayors a deliberative vote in Council meetings while also retaining their ability to cast a deciding vote will create an undemocratic tension in instances where there is an equality of votes (remembering it includes Mayor's deliberative vote); it is effectively giving the Mayor two votes on a matter.</p> <p>If the Mayor casts their vote (having already made a deliberative vote) in favour of a proposition, effectively the decision has been made by one person – the person in the chair. However, the reality is that there are as many people in favour of the proposition as there are against, therefore the proposition should fail and perhaps be revisited.</p> <p>Preserving the status quo where an equality of votes is resolved by the casting vote of the Mayor (not having a deliberative vote) is preferred.</p>

<p>1.4 Provide principal members with enhanced powers to deal with disruptive behaviour at meetings</p>	<p>OPPOSE</p>	<p>While dealing with disruptive behaviour at meetings is part of the leadership role of the principal member, without clarity about the “powers” being suggested and how and when they can be used, it is difficult to indicate either support or opposition.</p> <p>Perhaps the emphasis should be placed on “the will of the meeting” and the role of the principal is to manage “low-level” disruptive behaviour by issuing warnings. However, where a threshold is reached (post warnings) the principal member should have the power to suspend further deliberations of the meeting so as to put a proposition (to be prescribed in regulation) to the meeting regarding the behaviour/s of a councillor, and that proposition <u>must</u> be dealt with by a vote before a meeting can continue.</p> <p>In this way, the principal member can act as moderator but it is the will of the meeting that determines what action should be taken to deal with unwanted behaviours.</p>
<p>1.14 Establish a mandatory training scheme within the regulations</p>	<p>SUPPORT</p>	
<p>1.15 Establish a timeframe for the completion of mandatory training and a penalty for non-compliance</p>	<p>SUPPORT</p>	
<p>1.16 Require councils to receive independent advice on CEO selection and remuneration</p>	<p>SUPPORT</p>	<p>As long as the independent person is <u>not</u> acting as a decision maker. The Council should always remain responsible for the appointment.</p> <p>The purpose of an advisor should be process related, to enable Councils to do due diligence before appointing new CEO and to</p>

		ensure transparency.
1.17 Give responsibility for determining CEO remuneration to the Remuneration Tribunal of South Australia.	SUPPORT	The decision of the Remuneration Tribunal should be to provide a band within which a Council can negotiate and set the salary of a CEO.
1.18 Require councils to conduct annual performance reviews of CEOs, with independent oversight	SUPPORT	CoS already does this with independent advice and facilitation. Brings integrity, prudential management and transparency. Definition required about definition of “independent oversight”. The purpose of an advisor should be process related, to assist Councils to gather and consider all relevant information and to ensure transparency.
1.19 Require annual performance reviews to be completed before the extension of a CEO contract.	SUPPORT	Brings integrity, prudential management and transparency.
1.20 Require councils to receive independent advice before terminating a CEO contract.	SUPPORT	Brings integrity, prudential management and transparency.

Proposed Legislative Provision Reform Area 2	Council Position	Council Comment
2.1 Require audit committees to have a majority of independent members, and an independent chair	<p>SUPPORT</p> <p>OPPOSE</p>	<p>Support the requirement that the audit committee have a majority of independent members.</p> <p>Oppose the requirement that the audit committee have an independent chair.</p>
2.2 Strengthen the role of audit committees in councils' external audits, through a greater role in the appointment of the auditor and determining the scope of the audit, as the chief liaison point with the auditor	<p>SUPPORT</p> <p>OPPOSE</p>	<p>Our process currently entails a tender process for the external audit function and reporting to the Audit Committee.</p> <p>Oppose the Audit Committee being the "chief liaison point" with the auditor. This part of the proposal is unwieldy. No evidence has been provided to suggest that the current process does not work well.</p>
2.4 Require all audit committee members to have specified skills and to undergo an induction process	<p>SUPPORT</p>	<p>Clarity that it is the independent members who must have specified skills.</p>
2.5 Allow councils to form regional audit committees	<p>SUPPORT</p>	<p>Supported <u>only if</u> this is enabled for rural and regional Councils only.</p>
2.3 Require audit committees to report on the council's approach to internal audit processes	<p>SUPPORT</p>	<p>The CoS has an internal audit program. The program is developed with the Audit Committee and the resultant audit reports (whether undertaken by the internal auditor or an external provider) are provided to the Audit Committee.</p>

<p>2.6 Expand the role of the Auditor-General to appoint and oversee councils' external auditor.</p>	<p>OPPOSE</p>	<p>There is likely to be an increased cost to Councils for an additional layer of administration.</p> <p>No evidence has been provided to suggest the current external audit regime is not functioning properly.</p> <p>The emphasis should be on appropriately focussed terms of reference for external audits and ensuring the reporting requirements (to Minister/Auditor-General) for external auditors are clear.</p> <p>There could be an appropriate role for the Auditor-General to frame the terms of reference for external audits.</p> <p>A reasonable reform could be for Councils to be required to submit their Long Term Financial Plans to the Auditor General.</p>
<p>2.7 Create 'audit and risk' committees that play an expanded role in councils' financial management and performance:</p> <ul style="list-style-type: none"> • Reviewing councils' risk assessments and controls. • Providing comment on councils' rating policies and practices. • Reporting to council on its use of public resources. • Reporting to councils on prudential matters. • Performance monitoring of councils. 	<p>SUPPORT</p> <p>OPPOSE</p> <p>OPPOSE</p> <p>OPPOSE</p> <p>OPPOSE</p>	<ul style="list-style-type: none"> • Reflects is current practice at CoS. • Not appropriate - rating policies and practices are based on community need and Council policies that respond to and reflect that need. • Existing decision making framework of Committees already does this (B&F Committee) – Annual Report also does this for Community. • There are prudential management reporting requirements in the current legislation and undertaken by the administration. • This is a function of Councils themselves. The CEO Review Committee process – setting of KPIs.

<p>2.8 Require the chair of the 'audit and risk committee' to provide a report in the council's annual report on governance standards and compliance</p>	<p>OPPOSE</p>	<p>Council's annual report effectively does this already.</p> <p>The basis on which this could be done by the Chair of an Audit Committee or the Audit Committee itself is questioned, unless the intent is to expand the role of the Audit Committee and in particular its Chair, to draw sufficient information and advice from the administration in order to be able to formulate and provide such a report for the Annual Report of a Council.</p> <p>If this is the case then the reform is in conflict with other proposed reforms like Reform 2.12 below.</p>
<p>2.9 Require councils to develop and adopt a funding policy to be reviewed by the audit and risk committee</p>	<p>OPPOSE</p>	<p>It is unclear what the intent of this reform is.</p> <p>This is a function of the administration and Council's committees, such as Budget and Finance, and Planning and Strategy.</p> <p>The information for this forms part of Council's draft annual business plans and budgets that have to be prepared as part of our budget deliberation and consultation processes.</p> <p>Council's policies are regularly reviewed by the Resource and Governance Committee.</p>
<p>2.10 Require councils to release a summary of the draft annual business plan that states the proposed increase in total general rate revenue, and the reasons for this increase</p>	<p>SUPPORT</p>	<p>This reflects current CoS practice.</p>

<p>2.11 If a council’s proposed increase in total general rate revenue is above a prescribed level (such as the Local Government Price Index), to require that its audit and risk committee provide a report to the council on the reasons for this increase.</p>	<p>OPPOSE</p>	<p>This is a function of the administration and happens as a consequence of our budget deliberation and consultation process.</p>
<p>2.12 Create ‘governance committees’ to provide independent advice to councils on critical management, policies, processes and actions., potentially:</p> <ul style="list-style-type: none"> • Councils’ compliance and governance policies. • Councils’ policies to improving ethical standards across councils and reduce fraud and corruption risks. • Councils’ strategic management plans, and on progress to deliver priorities, particularly on the management of significant council projects. • Council member conduct—both on policies and processes to improve it, and on specific conduct matters (as described in Reform Area 1). • CEO appointment and management (as described in Reform Area 1). 	<p>OPPOSE</p>	<p>The various elements that make up this proposed reform are either carried out by our current Resource and Governance Committee or by other CoS Committees, including our Audit Committee.</p> <p>In particular, the fourth dot point proposes to give responsibility to a Committee on “specific conduct matters”, whereas at the CoS such matters are put directly to Council for deliberation.</p> <p>With regard to the final dot point, CoS has a CEO Review Committee.</p>

ITEM	6.6.1		
	BUDGET AND FINANCE COMMITTEE		
DATE	16 September 2019		
PREV REFS			
PREV REFS	Budget and Finance Committee	6.6.1	16/07/2018
HEADING	Review of Financial Hardship Policy		
AUTHOR	Kathryn Goldy, Team Leader Revenue, Business Excellence		
CITY PLAN LINKS	4.4 To ensure informed and transparent decision-making that is accountable and legally compliant		
SUMMARY	<p>In July 2018, Council endorsed a Financial Hardship Policy for our Rating and Sundry Debtor customers (Resolution Number: 2571/2018). Currently Council's Policy Framework provides for Council policies to be reviewed within 12 months of a general election and thereafter every 2 years. In accordance with the Policy Framework, staff have reviewed the attached the Financial Hardship Policy as set out in Attachment 1, with minor changes for Councils review and endorsement for a further 2 year period.</p>		
RECOMMENDATION	<ol style="list-style-type: none"> 1. The Information be received. 2. The Financial Hardship Policy as set out in Attachment 1 to this report (Item 6.6.1, Budget and Finance, 16/09/2019) be endorsed. 		
ATTACHMENTS	<p>This document should be read in conjunction with the following attachments:</p> <ol style="list-style-type: none"> 1. Financial Hardship Policy 		
BACKGROUND	<ol style="list-style-type: none"> 1.1 Council's Policy Framework provides for Council Policies to be reviewed within 12 months of a general election and thereafter every two years. 1.2 Council depends on income from rates to fund services and facilities for the community, with rates income funding approximately 80% of Council operating activities. The fundamental focus for the collection process is to provide a thorough and consistent approach to recover rate and/or sundry debtor arrears and is designed to minimise the amount of monies owed to Council, while ensuring that the administration process is compliant with legislative requirements under the Local Government Act 1999 (The Act) 		

- 1.3 We have adapted our processes over the years to provide further communication points and leniency to balance the need for equity with having a process that is reasonable.
- 1.4 The Financial Hardship Policy demonstrates that Council is committed to working in partnership to support families and individuals who are experiencing temporary and/or ongoing financial hardship to manage their payments in regards to rates and/or sundry debtor charges.
- 1.5 The Financial Hardship Policy was last endorsed by Council in July 2018 (Resolution Number: 2571/2018), given the general election in November 2018, it is now due again for review.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 The Financial Hardship Policy has been reviewed by the Responsible Officer being Manager Financial Services, together with the Team Leader Revenue, to ensure continuing relevance of the Policy and have proposed changes for consideration.

2.2 External

- 2.2.1 Nil

3. REPORT

- 3.1 The Financial Hardship Policy has been reviewed by the Responsible Officer, Manager Financial Services and Team Leader Revenue. Clause C.2 concerning the State Governments Charter of Affordability has been deleted as the Charter of Affordability no longer applies and minor editorial amendments have also been made to ensure the continuing relevance of the Policy. No other changes to the policy are proposed.

Policy Background

- 3.2 The Local Government Act 1999 (The Act), Chapter 10, Rates and Charges provide for rate charges against the land to be raised and collected. The rates declared and payable in respect of a particular financial year will fall due in four equal instalments payable in the months of September, December, March and June of the financial year for which the rates are declared pursuant to Section 181 of the Act.
- 3.3 Sundry Debtors are customers owing money to Council for goods or services rendered. These charges are raised via an invoice and do not include rates or expiations. These customers have 30 days from the date of the invoice to make payment.
- 3.4 Council staff work to recover monies owed to Council via rates and/or sundry debtors through a number of means such as offering short and long term payment arrangements, final and/or intent notices, and at times legal action through the Courts to recover outstanding monies.

- 3.5 Despite best efforts, there will be accounts that continue to be in arrears, and rather than continue to have further legal and debt collection cost incurred, these accounts are pulled back from the collection agency for Council to manage internally.
- 3.6 The Financial Hardship Policy (Attachment 1) provides a mechanisms for Council to assist customers who are experiencing temporary and/or ongoing financial hardship in regards to rates and/or sundry debtor charges which are currently outstanding or will be due and payable at a future date.
- 3.7 A customer experiencing financial hardship is someone who has been identified by themselves, by Council staff, by an accredited financial counsellor or welfare agency, as having the intention, but not the financial capacity, to make the required payments in accordance with the Councils typical payment terms and options.
- 3.8 Since the introduction in July 2018 of the Financial Hardship Policy for our Rating and Sundry Debtor customers we have received a minimal number of applications from customers. Council currently has no sundry debtor customers on a hardship payment arrangement. In relation to our rating customers we have 2 customers who are currently on a hardship payment plan.

4. CONCLUSION / PROPOSAL

- 4.1 In conclusion this policy aims to assist those individuals and families within our community who are currently experiencing temporary and/or ongoing financial hardship. We recognise and understand that the cost of living pressures can place a strain on household budgets, and at times of ill-health or other personal struggles, that may reduce an individual's capacity to pay their accounts on time.
- 4.2 The Financial Hardship Policy as contained within Attachment 1 is recommended to Council for endorsement.

CO-ORDINATION

Officer: Executive Group
Date: 09/09/2019



Financial Hardship Policy

Policy Type:	Policy		
Approved By:	Council	Decision No:	2571/2018, xxxx/2019
Approval Date:	23 July 2018	Last Reapproval Date:	23 September 2019
Review Date:	July 2020 September 2021	Internal Reference No.:	
Department:	Business Excellence	Division:	Financial Services
Function:	7 - Financial Management	Responsible Officer:	Manager, Financial Services

A - PREAMBLE

1. This policy is to assist customers of the City of Salisbury who are experiencing temporary or ongoing financial hardship in regards to payment of rates and/or sundry debtor charges which are currently outstanding or will be due and payable at a future date.

B - SCOPE

1. This policy applies to families and individuals who are experiencing temporary and/or ongoing financial hardship to assist in managing rates for owner/occupied properties and/or sundry debtor charges.
2. This policy does not apply to debts associated with the provision of recycled water, which are considered in the Hardship Policy for Residential Salisbury Water Customers, which has been established with the Essential Services Commission of South Australia (ESCOSA).
3. This policy also does not address customers who may feel that the property valuation is incorrect, which are addressed via the objection process with the State Valuation Office.

C – POLICY PURPOSE/OBJECTIVES

1. The City of Salisbury is committed to assisting rating customer together with sundry debtor customers who are experiencing temporary and/or ongoing financial hardship, to manage their payments and assist those customers to better manage their bills on an ongoing basis.
- ~~2. This policy aligns with the State Government in relation to the Charter of Affordability (The Charter). The Charter has a range of various organisations such as local government, banking, energy and water which aims to assist the community with balancing their household budgets and managing the cost of living pressures.~~
2. This policy should be read in conjunction with the Financial Hardship Procedure.

D - DEFINITIONS

Term	Definition
Accredited Financial Counsellor	A person who holds a Diploma of Community Services (Financial Counselling) and who has worked at least 12 months as a financial counsellor under the supervision of the South Australian Financial Counsellors Association
Arrangement	An agreement between Council and a Customer to repay an amount of money within a time frame according to an agreed schedule. Dependent on the individual situation of our customer's arrangement could be considered under a short term and/or long term arrangement.
Council	The City of Salisbury
Customer	A person or legal entity that is liable to pay rates on an owner occupied property and/or a sundry debtor who has had a Sundry Debtor tax invoice raised as per goods or services they have received from Council.
Debt	Rates - are levied as a tax on property in accordance with the provisions of the Local Government Act. Rates are not a service or user charge.
	A Sundry Debtor - is a legal entity owing money for goods and/or services rendered by Council for all non-rating and non-expiation debts.
Financial Hardship	Circumstances of experiencing a lack of financial means that may be either ongoing or temporary, but does not include circumstances where a person chooses not to meet a liability for an unpaid debt. Hardship may result from a change in circumstances such as serious illness, disability, death in the family, loss or change in income, separation, divorce, or other family crisis and/or loss resulting from an accident. Hardship is considered temporary if the impacts of the hardship are expected to be resolved in less than one year, whereas ongoing spans longer periods.
Local Government Act	The Local Government Act 1999 "The Act" sets out legislative requirements for Councils to follow.
Policy	Financial Hardship Policy
Procedure	Financial Hardship Procedure

E - POLICY STATEMENT

1. Council recognises and understands that cost of living pressures can place a lot of strain on household budgets, and have developed a range of payment options to ease this pressure.
2. Council is committed to treating all customers in financial stress with respect and compassion and is pleased to provide support and practical solutions to those who may be experiencing temporary and/or ongoing financial hardship.

What is financial hardship?

3. Financial hardship is when a person is willing but unable to meet their debt obligations because of unexpected events or unforeseen changes that impacts cash flow, for example:
 - a) Changes in income or expenditure;
 - b) Changes in employment status (such as losing a job or having hours reduced);
 - c) Significant life events such as a relationship breakdown or death in the family;
 - d) Injury or illness; and
 - e) Emergency events or natural disasters
4. An important consideration to acknowledge is that a person in financial hardship can reasonably be expected to recover their financial position if appropriate assistance or arrangements are provided. Financial hardship assistance is intended to bridge the time between when a person's circumstances change and the time when they can start paying

their debt in full – either because the original financial situation is restored (e.g. a person is re-employed after a period of unemployment) or because a new repayment arrangement is agreed which the person can meet.

5. Financial hardship does not include circumstance where a person chooses not to meet an unpaid financial obligation for which they are liable for.
6. There are two types of financial hardship: ongoing and temporary. Depending on the type of hardship being experienced, there will be different needs requiring different solutions.
7. Temporary Financial Hardship - Customers who may have been identified as experiencing temporary hardship are those who have experienced a short-term change in circumstances. These customers generally require flexibility and temporary assistance, such as extension of time to pay or an alternative payment arrangement.
8. Ongoing Financial Hardship - Customers who may have been identified as experiencing ongoing hardship are those who have experienced a change in circumstances and one in which they do not expect to recover from in a reasonable timeframe. These customers may require ongoing assistance from Council and this is intended to bridge the time between when a person's circumstance change and the when they can start paying their debit in full – either because their original financial situation is restored or because a new repayment arrangement is agreed which the customer can meet.
9. Where it is assessed a customer may be eligible for hardship assistance, consideration will be given but not limited to the following:
 - The customer is on Centrelink income and holds a pensioner concession card or holds a Centrelink low income health care card
 - The customer is eligible for a South Australian Government concession
 - The customer has been referred by an accredited financial counsellor or welfare agency
 - The customer advises they have previously applied for emergency relief (irrespective of whether or not their application was successful)
 - The customers payment history indicates that they have had difficulty meeting their rate notices/sundry debtors invoices in the past
 - The customer, through self-assessment, has identified their position regarding their ability to pay
 - Other personal circumstances that the applicant(s) may choose to disclose in order to support their application.
10. Council will require customers to submit an application, including details of the applicant(s) and a Statement of Financial Position (Income and Expenditure) which will assist in determining an application for hardship.

Debt recovery

11. Council will place on hold and/or suspend debt recovery process while negotiating a suitable payment arrangement with a customer who has applied and been accepted under the Financial Hardship policy.
12. Council will not commence legal action for the recovery of the debt relating to rates and/or a sundry debtors invoice for a customer if the customer has agreed to a payment arrangement

and continues to adhere to the terms of the payment arrangement, irrespective of whether the customer has been assessed for financial hardship.

13. For rating purposes the Act provides for council to sell a property where the rates have been in arrears for three years or more. The Council must notify the owner(s) of the land of its intention to sell the land if payment of the outstanding amount is not received within one month, and once this notice is served this policy will not apply, however, Council will not commence this recovery action where a customer has agreed and is maintaining a payment arrangement under this Financial Hardship Policy.
14. This policy will be reviewed every 2 years by the Team Leader Revenue and Manager Financial Services.

F - LEGISLATION

1. Section 184 under the Local Government Act

G - ASSOCIATED POLICIES/PROCEDURES

1. Financial Hardship Procedure
2. Hardship Policy for Residential Salisbury Water Customers
3. Customer Service Framework and Charter
4. Internal Review of Councils Decisions Procedure
5. ~~State Government Charter of Affordability~~

Document Control

Document ID	Financial Hardship Policy
Prepared by	Team Leader Revenue
Release	12,00
Document Status	Draft
Date Printed	